

MINNESOTA • REVENUE

SALES TAX

Bloomington Lodging Tax

March 1, 2002

	Yes	No
Separate Official Fiscal Note Requested		X
Fiscal Impact		
DOR Administrative Costs/Savings		X

Department of Revenue

Analysis of S.F. 3287 (Belanger) / H.F. 3588 (Seagren)

Revenue Gain or (Loss)

<u>F.Y. 2002</u>	<u>F.Y. 2003</u>	<u>F.Y. 2004</u>	<u>F.Y. 2005</u>
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(000's)

General Fund

No impact

No impact

Effective the day after the Bloomington city council files with the Secretary of State the documents required under Minnesota Statutes, §645.021, subdivision 3, regarding local approval of special laws.

EXPLANATION OF THE BILL

Current Law: In 1986 the city of Bloomington was authorized to impose a lodging tax of up to 5%. In 1990 Bloomington was authorized to impose an additional tax on lodging of 1%.

Proposed Law: The bill allows the city to raise the 1% additional lodging tax to 2%.

REVENUE ANALYSIS DETAIL

The bill would have no impact on the general fund or any other state fund.

ADMINISTRATIVE/OPERATIONAL IMPACT

There would be no cost to the Department of Revenue. The city administers the lodging tax and its two other selective sales taxes on liquor and admissions.

Source: Minnesota Department of Revenue
Tax Research Division
<http://www.taxes.state.mn.us/polic.html#analyses>

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